

This record is a partial extract of the original cable. The full text of the original cable is not available.

110836Z Aug 05

C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 004948

SIPDIS

E.O. 12958: DECL: 08/11/2015

TAGS: [ECON](#) [PGOV](#) [PREL](#) [IS](#) [ECONOMY](#) [AND](#) [FINANCE](#) [ISRAELI](#) [SOCIETY](#)

SUBJECT: ROADS LEADING TO NEGEV DEVELOPMENT

Classified By: Deputy Chief of Mission Gene A. Cretz for reasons 1.4 (b) and (d).

1. (C) SUMMARY: Public sector, NGO and academic leaders indicate that success of the GOI's economic development initiative for the Negev is contingent upon a fair, inclusive and robust plan. In their view, that plan should address, among other things, the historical land dispute between the state and the Bedouin, creating the conditions necessary for employment growth, and finally, revival of the education system to meet national standards for Israeli Jews, Bedouin and other residents of the Negev. Embassy contacts stress that this is a critical time, in light of development opportunities associated with the disengagement plan, and that this opportunity should not be lost. END SUMMARY.

Rifman: Marketing the Negev

2. (C) Deputy econcouns met with Shmuel Rifman, who serves as mayor of the Negev Regional Council, Chairman of the Association of Negev Development, and Chairman of the Association of Regional Councils of Israel, on July 20. Rifman works closely with Vice Premier Shimon Peres's office on Negev development. Rifman said that planning and coordination efforts with Peres's Negev development committee aim to make the Negev an attractive residential location, not just for new immigrants, but also for Israelis.

3. (C) Rifman noted that employment in the Negev is a key concern for both Jewish and Bedouin residents of the Negev and that a solution needs to be found to keep young Jewish residents in the Negev. He noted that 16,000 students study at Ben Gurion University. According to Rifman, those who graduate have a difficult time finding employment locally because there are not enough jobs, and salaries are not competitive with those in the Tel Aviv area. He did not elaborate on Bedouin employment.

4. (C) Regarding the Bedouin sector, Rifman stressed that upgrades in public education for Bedouin youth are necessary. If solutions are not found to address the problems facing the 150,000 Bedouin in the Negev, he said, the region cannot be developed. He also indicated the need for the Bedouin to change their mindset, to forge a path for a better life.

5. (C) Rifman also noted the recent discussions about USG assistance for Negev development, and cited projects such as extension of Highway Six, railway lines between Tel Aviv and Be'er Sheva, and power stations fueled by natural gas, that could provide needed infrastructure for economic development.

6. (C) Rifman touched on the socio-political relationship between the state and the Bedouin, noting the historical land dispute between the two sides. Rifman said a compromise is needed between the GOI's plan to establish seven new townships for the Bedouin and the Bedouin's demand that the GOI recognize some 45 existing Bedouin villages.

7. (U) In a related story, the Prime Minister's office has announced a comprehensive development plan for the Abu Basma regional council in the south, which has 25,000 Bedouin residents. This plan was approved by the Ministerial Committee on the Non-Jewish Sector, chaired by PM Sharon, on July 18. It is estimated to cost approximately NIS 470 million (USD 104 million) and includes investment in education, transportation, infrastructure, employment, construction, housing, health, social affairs, and agriculture.

CBI: Getting the GOI and Bedouin To Talk

8. (C) Michele Ferenz, a senior associate in the Consensus Building Institute (CBI), a non-profit organization dealing with conflict resolution, met with econoff July 24. Ferenz said that the CBI has been involved in conflict resolution between the GOI and the Bedouin over land use and ownership since 2003. Ferenz is the project director and works with CBI President Lawrence Susskind and another associate to ensure that CBI is aware of what is happening in the Bedouin

community on governance and land use issues.

19. (C) Ferenz said the CBI has a unique approach regarding the historical land dispute between the GOI and the Bedouin because CBI is not involved in Negev development, and has no monetary interests. Ferenz commented that the consulting firms of Daroma and McKinsey, both contracted by the GOI to work on Negev development, indirectly address the GOI-Bedouin conflict, but are not involved in conflict resolution efforts.

110. (C) Ferenz discussed how CBI carries out various stages of conflict assessment. First, she said, CBI seeks approval from the main parties involved for a CBI-led intervention. Both the GOI and Bedouin leadership have already given CBI their approval to carry out this process. At the moment, the organization is on the ground working with the Bedouin villages of Kseifeh and Um Bitin, Ferenz said, where interviews and discussions will identify key areas of agreement and disagreement between the GOI and the Bedouin. In September, CBI will present preliminary findings to the GOI and Bedouin. CBI plans to present a complete analysis and set of recommendations on dispute resolution by February, 2006.

BGU President: Must Seize The Moment

11. (C) Econoff met with Professor Avishai Braverman, President of Ben Gurion University (BGU), on July 25. Braverman said the next ten years will determine the future of the state of Israel, and Negev development is directly linked to that future. For his part, Braverman plans to bring the "best and the brightest" to Be'er Sheva to make BGU a powerhouse. BGU would serve as the regional center in high technology, engineering, medicine, nanotechnology, and biotech, said Braverman.

112. (C) Braverman took econoff on a tour of BGU. He discussed the possibility of creating a high-tech park in a 200 acre area within the campus. Braverman said both Israeli investment and foreign capital were needed to make this high-tech park come to life. The Negev has not seen huge government investment or spending, he said. Out of the USD four billion invested in Israel in the 1990's, said Braverman, only 0.3 percent was invested in the Be'er Sheva area. His vision, he said, is for an industrial science park to be built on the BGU campus with U.S., and possibly European, help.

113. (C) Braverman noted that addressing the needs of the Bedouin population makes any Negev plan more difficult. He said there has never been enough investment in the Bedouin sector. He referred to the need for some sort of international fund made up of private and public money for the education and vocational training of the Bedouin.

Visit Embassy Tel Aviv's Classified Website:
<http://www.state.sgov.gov/p/nea/telaviv>

You can also access this site through the State Department's
Classified SIPRNET website.

KURTZER